
Article 17 (2)

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Text of Article 17 (2)

The expenses of the Organization shall be borne by the Members as apportioned by the General Assembly.

Introductory note

1. The structure of the present study, which covers the period 1989-1994, follows that of previous studies of Article 17 (2), with a few changes. Section A.4, “Factors to be taken into account to avoid anomalous assessments”, is no longer divided into subsections. The same simplification has been done with section B, “Upper and lower limits of contributions”, and with section H, now entitled “Membership and methods of work of the Committee on Contributions”. Lastly, the sections on the financing of various peacekeeping operations have been regrouped into one section, entitled “Apportionment of the expenses of United Nations peacekeeping and related operations” (section I).

I. General survey

2. The determination of the scale of assessments for the apportionment of the expenses of the United Nations remained a technically complex and politically charged issue on the agenda of the General Assembly.

3. In December 1988, having adopted the scale of assessments for 1989, 1990 and 1991, the Assembly had requested the Committee on Contributions to undertake a comprehensive review of all aspects of the existing methodology used for the determination of such scale. There was a need for “substantial improvement” of this methodology. The objective was to ensure fairness and equity in the scale and to make the methodology transparent, easily understandable, stable over time and as simple as possible.¹ In December 1993, in essentially similar terms, the Assembly requested the Committee to undertake a thorough and comprehensive review of all aspects of the scale methodology with a view to making it stable, simpler and more transparent while continuing to base it on reliable, verifiable and comparable data.² In November 1994, the Assembly decided to establish an ad hoc intergovernmental working group of 25 experts in economics, finance, statistics and related fields to study and examine all aspects of the implementation of the principle of capacity to pay as the fundamental

criterion in determining the scale of assessments for contributions to the regular budget.³

4. Over these six years, the previously established principles, or criteria, to be used by the Committee on Contributions to establish the scale did not change. They were reaffirmed by the Assembly at its forty-fourth session in the following form: “(a) The capacity to pay is the fundamental criterion for determining the scale of assessments; (b) The scale of assessments should be determined on the basis of reliable, verifiable and comparable data; and (c) The methodology for determining the scale of assessments should be simplified as far as possible with a view to making it more transparent and stable over time.”⁴ The manner in which the Committee on Contributions attempted to apply these principles and the work it did to refine, present alternatives and explain the basic elements of the methodology it used were not fundamentally questioned by the Assembly. The difficulties it encountered in performing its tasks and the efforts it made were acknowledged in resolution 44/197. Technical issues, such as a comparable income estimate for all countries, the statistical base period for calculating this income, the per capita income limit, the debt adjustment factor, the scheme to avoid excessive variations of individual rates between successive

¹ See GA resolution 43/223 B, fourth preambular paragraph and para. 2.

² See GA resolution 48/223 C, para. 1.

³ See GA resolution 49/19 A, paras. 1 and 3.

⁴ GA resolution 44/197 A, para. 1.

scales, or the manner to apply ad hoc adjustments to the “machine scale”, were intensely studied and debated.

5. It would seem, therefore, that, in the first part of the 1990s, as had been the case before, the repeated demand of the Assembly for a “thorough examination” of the method of establishing the scale of assessments was mainly a recognition that there was no perfect method, that “fairness” to all Member States was an essential but elusive objective, that perfect transparency and simplicity in the application of complex calculations was also an elusive goal, and that the dialogue between the Committee on Contributions and the Fifth Committee had to be pursued because it served as a buffer to raw conflicts of interest between Member States.

6. In the three scales of assessments applied or established during the period 1989-1994,⁵ the upper

⁵ These three scales were: years 1989-1990-1991 (resolution 43/223 A); years 1992-1993-1994 (resolution 46/221 A); and years 1995-1996-1997 (resolution 49/19 B).

and lower limits were 25 per cent and 0.01 per cent. Below the United States of America, with the 25 per cent rate, was Japan, whose rate went from 11.38 per cent in 1989-1991, to 12.45 per cent in 1992-1994, and 13.95 per cent in 1995. The five permanent members of the Security Council represented 46.89 per cent of the assessments in 1989-1991, 46.20 per cent in 1992-1994 and 42.99 in 1995.⁶ The number of Member States assessed at the minimum rate of 0.01 per cent was 79 in 1989-1991, 84 in 1992-1994, and 96 in 1995. The total number of Member States assessed was 159 in 1989, 161 in 1992, and 185 in 1995.

7. For most Member States, rates of assessment did not change significantly over the period. Figures for a few “typical” economically more and economically less developed countries, and for China, illustrate this point:

⁶ It should be emphasized that these rates for the permanent members of the Security Council are for the regular budget. For peacekeeping operations, these States are assessed at a higher level (see section I below).

	1989	1992	1995
Australia	1.57	1.51	1.46
Belgium	1.17	1.06	0.99
Canada	3.09	3.11	3.07
Denmark	0.69	0.65	0.70
Ireland	0.18	0.18	0.20
Portugal	0.18	0.20	0.24
Sweden	1.21	1.11	1.22
Algeria	0.15	0.16	0.16
Argentina	0.66	0.57	0.48
Brazil	1.45	1.59	1.62
Egypt	0.07	0.07	0.07
Indonesia	0.15	0.16	0.14
Mexico	0.94	0.88	0.78
Philippines	0.09	0.07	0.06
South Africa	0.45	0.41	0.34
China	0.79	0.77	0.72

8. During the same period, however, total assessments for the regular budget of the United Nations increased, at least in nominal terms: Member States were assessed in 1990 for US\$ 970,884,400; in 1992 for US\$ 1,228,519,850; and in 1995, for US\$ 1,335,407,400. In addition, assessments for the special accounts for peacekeeping operations were more numerous in 1994 than in 1989 and were, in some cases, rather costly. A sum of \$395 million was appropriated for the United Nations Protection Force (UNPROFOR) for the period 1 July 1993 to 30 September 1993.⁷ The United Nations Operation in Mozambique (ONUMOZ) received an appropriation of \$262 million for the period 1 November 1993 to 30 April 1994.⁸

9. The apportionment of expenses for the peacekeeping operations conducted by the United Nations continued to be made through an adaptation of the scales used for the regular budget. The principle of the capacity to pay was adjusted to take into account (a) that the economically more developed countries were in a position to make relatively larger contributions; (b) that the economically less developed countries had a relatively limited capacity to contribute; and (c) that the States permanent members of the Security Council had special responsibilities in the financing of peacekeeping operations. Special accounts were opened and separate assessments were made for each operation. New in the period, however, was the greatly increased number of operations that

were launched, particularly in 1993.⁹ Also new was the creation of a Peacekeeping Reserve Fund by the Assembly at its forty-seventh session. Member States contributed to this Fund through their assessed contributions for each operation.¹⁰

10. In 1993, the General Assembly established the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991;¹¹ and, in 1995, the Assembly created the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994.¹² These two tribunals were financed with assessments apportioned as for the regular budget of the United Nations, but through special accounts.

⁷ See GA resolution 48/238 A, paras. 14 and 15.

⁸ See GA resolution 48/240 B, paras. 12 and 13.

⁹ In 1989, there were nine peacekeeping operations: UNTSO, UNMOGIP and UNGOMAP (financed from the regular budget, UNMOGIP being administratively a political operation), UNFICYP (financed from voluntary contributions), UNDOF, UNIFIL, UNIIMOG, UNAVEM and UNTAG (financed from special accounts with adjusted scales of assessment). In 1994, there were 19 operations. Eight new operations were launched in the course of 1993. Most of the operations launched during the period were, however, of relatively short duration.

¹⁰ See GA resolution 47/217.

¹¹ GA resolution 47/235.

¹² GA resolution 49/251.

II. Analytical summary of practice

A. Basis for determining capacity to pay

1. Terms of reference

11. In all its resolutions, the General Assembly reaffirmed that the capacity to pay of Member States was the fundamental criterion for determining the scale of assessments. As noted in the General Survey, the method for determining this capacity in a manner seen as equitable by States Members of the United Nations remained, however, complicated and controversial.

12. The scale of assessments for the years 1989, 1990 and 1991 was prepared with the same methodology

used for the previous scale.¹³ But, when adopting the scale in December 1988, the Assembly also requested the Committee on Contributions to undertake a comprehensive review of its methodology. The objective of this review was to ensure fairness and equity and to make the methodology transparent, easily understandable, stable over time and as simple as possible.¹⁴

13. The Committee was given the following tasks: (a) to continue to monitor the improvements in the

¹³ See GA resolution 42/208.

¹⁴ GA resolution 43/223 B, para. 2.

availability and comparability of national income data, to work on the “price-adjusted rates of exchange” method, and, more generally, to pursue its research on the concept of national income; (b) to seek more information on external debt, so as to adequately take this factor into account when determining the capacity to pay; (c) to review the formula of the “upper limit of the low per capita income allowance”; (d) to review the statistical base period, the scheme to avoid excessive variations of individual rates between successive scales, and the possibility of excluding allocation of any additional points to Member States with a very low income per capita as a result of the application of the scheme of limits; (e) to refrain as much as possible from using ad hoc adjustments and, when these are necessary, to be transparent and explicit on the applied criteria; (f) to examine the possible use of other factors (see section A.4 below); and (g) to examine also the interrelationships between the various elements of the methodology, bearing in mind the need to avoid duplication and negative impact of each individual element on the others in order to reflect capacity to pay.¹⁵

14. One year later, in December 1989, the Assembly requested the Committee on Contributions to continue its work on the methodology of the scale, particularly with regard to the statistical base period, the debt adjustment factor, the per capita income limit, and the scheme to avoid excessive variations of individual rates of assessment between successive scales. The Assembly also mentioned the issues it had enumerated in its resolution 43/223, including the study of alternative income concepts, and added that the Committee should present illustrative examples of the different alternative methods it will elaborate for ceiling and floor amounts.¹⁶

15. In December 1990, while reiterating its request for more study on essentially the same issues, the Assembly requested the Committee on Contributions to take into account three guidelines in preparing the next scale: the debt adjustment approach should be the same as for the period 1989-1991; a low per capita income allowance should be used and adjusted in accordance with the evolution of the average world per capita income until 1989; and individual rates for the least

developed countries should not exceed their current level, namely 0.01 per cent.¹⁷

16. The scale of assessments for the years 1992, 1993 and 1994 was adopted by the Assembly in its resolution 46/221 A. Resolution 46/221 B contained, however, an extensive catalogue of methodological points, including a few decisions for the preparation of future scales. The scheme of limits should be phased out. The low per capita income allowance formula should be an integral and automatic adjustment mechanism. Debt adjustments should be on the basis of reliable and verifiable data. Further, the Assembly requested the Committee on Contributions to provide commentary, analysis and, as appropriate, recommendations on possible changes of the current methodology on the basis of the following elements: (1) exchange rates obtained from the International Monetary Fund (IMF) or, if not possible, use of the United Nations operational rates; (2) debt adjusted income, as proposed by the Commission; (3) a low per capita income allowance formula with a per capita income limit of the average world per capita income with a gradient of 100 per cent; (4) a floor rate of 0.01 per cent and a ceiling rate of 25.00 per cent; and (5) a method for phasing out the scheme of limits over two three-year scale periods. The Assembly confirmed that rates for least developed countries should not exceed 0.01 per cent. In addition, the Committee on Contributions was asked to continue its work on issues such as different income concepts and to present alternative overall methodologies.¹⁸

17. At the end of the first year of application of the scale for 1992-1994, the Assembly already instructed the Committee to prepare the scale for 1995-1997 “on the basis of the average of two separate machine scales” and six elements and criteria. These were: uniform exchange rates originating in IMF; the debt adjustment approach used for the period 1992-1994; a low per capita income allowance formula similar to the previous one but with a gradient of 85 per cent instead of 100 per cent; unchanged floor and ceiling rates; a scheme of limits whose effects would be phased out by 50 per cent; and statistical base periods of seven and eight years. While giving these instructions to the Committee, the General Assembly indicated that it had

¹⁵ *Ibid.*, paras. 2 (a) to (e), 3, 4 and 5.

¹⁶ GA resolution 44/197 A, paras. 3-8.

¹⁷ GA resolution 45/256 A, paras. 2 (a)-(c) and 4.

¹⁸ GA resolutions 46/221 B, paras. 1-7, and 46/221 D, para. 2.

agreed, in principle, to establish an ad hoc body to study the implementation of the capacity to pay in determining the scale of assessments and to consider its mandates and modalities at a later stage in the forty-eighth session.¹⁹

18. As indicated above in the General Survey, the Assembly effectively decided, by a vote, at its forty-ninth session, to establish an ad hoc intergovernmental working group of 25 experts to study and examine all aspects of the implementation of the principle of capacity to pay as the fundamental criterion in determining the scale of assessments for contributions to the regular budget. The Assembly also decided that the activities of the working group should be funded within existing financial resources, but welcomed voluntary contributions from Member States.²⁰ A month later, the Assembly adopted, without a vote, the scale of assessments for the years 1995, 1996 and 1997. In doing so, the Assembly recognized the obligation of Member States, under Article 17 of the Charter of the United Nations, to bear the expenses of the Organization as apportioned by the General Assembly.²¹

2. Statistical information

19. The Committee on Contributions had at its disposal a comprehensive database for all Member States and non-member States. This database included national income in local currency and in United States dollars, population, exchange rates, and external debt for the countries eligible for debt relief adjustment. All data were provided by States or estimated on the basis of such data. The sources used by the Committee were, for population, the United Nations Demographic Yearbook; for external debt, the World Bank World Debt Tables; for exchange rates, the IMF International Financial Statistics; and, for national income, the data compiled by the Statistical Division of the United Nations Secretariat through its annual questionnaire on national accounts.²²

¹⁹ GA resolutions 48/223 B, para. 1, and 48/223 C, para. 2.

²⁰ GA resolution 49/19 A, paras. 1, 3 and 5.

²¹ GA resolution 49/19 B, second preambular paragraph and para. 2.

²² The report of the Committee on Contributions to the General Assembly at its forty-ninth session (A/49/11) contained a complete description of the statistical information used by the Committee to elaborate the scale of assessments.

3. Use of comparative estimates of national income

20. As indicated above in section A.2, the solution to the problem of comparability of data on national income was to use national data as compiled and verified by the Statistical Office of the United Nations and to convert these data into United States dollars with the exchange rates published by IMF.

4. Factors to be taken into account to avoid anomalous assessments

21. Low per capita national income and national debt continued to be the two main factors used by the Committee on Contributions to adjust scales of assessments for the apportionment of the expenses of the United Nations. In simplified terms, the methodology for determining the scale was the following: the national income of countries identified for debt relief — for the scale 1995-1997, those countries with per capita income below \$6,000 — was reduced by an amount based on a theoretical debt-service ratio; this meant, for the same period 1995-1997, that 12.5 per cent of their debt was reduced from the national income of the eligible countries; then, this national income, already adjusted for debt relief, was further reduced through the low per capita income allowance formula on the basis of two parameters: the average world per capita income for the statistical base period and the relief gradient of 85 per cent; the national income thus adjusted constituted the assessable income.²³ In addition, the assessment rates

²³ A/49/11, paras. 8-12. The application of the low per capita income allowance formula is described as follows in this report of the Committee: “The national income of countries whose per capita national income is below the per capita income limit of \$3,055 for the period 1985-1992 or \$3,198 for the period 1986-1992 is reduced by the percentage resulting from calculating 85 per cent of the percentage difference between the country’s per capita income and \$3,055 and \$3,198, respectively. For example, for a country with an average per capita income of \$1,000 for the period 1985-1992, the average total national income, adjusted for debt relief, is reduced by 57.2 per cent ($\$3,055 - \$1,000 = \$2,055$; $\$2,055 = 67.3$ per cent of $\$3,055$; 85 per cent of 67.3 per cent = 57.2 per cent)” (see para. 11 (b)).

of the least developed countries could not exceed 0.01 per cent.²⁴

22. The Assembly requested the Committee on Contributions to study the possibility of using other factors in determining the capacity to pay. At its forty-third session, it mentioned the situation of countries whose economies depend on one or a few products or income source, of countries whose economies suffered a real loss of income as a result of deteriorating terms of trade, of countries which experienced serious balance-of-payments problems or a negative flow of resources, and of countries which had limited capacity to acquire convertible currencies.²⁵ At its forty-sixth session, the Assembly mentioned man-made disasters and problems of refugee host countries.²⁶

B. Upper and lower limits on contributions

23. The upper limit of assessment remained at 25 per cent and the lower limit at 0.01 per cent for the scales agreed upon during the period 1988-1994.

C. Revision of scale of assessment

24. Rule 160 of the rules of procedure of the General Assembly reads as follows: “The Committee on Contributions shall advise the General Assembly concerning the apportionment, under Article 17, paragraph 2, of the Charter, of the expenses of the Organization among Members, broadly according to the capacity to pay. This scale of assessments, when once fixed by the General Assembly, shall not be subject to a general revision for at least three years unless it is clear that there have been substantial changes in relative capacity to pay. The Committee shall also advise the General Assembly on the assessments to be fixed for new Members, or appeals by Members for a change of assessments and on the

action to be taken with regard to the application of Article 19 of the Charter.”

25. It is the question of avoiding a general revision of the scale for at least three years that is the subject of this section. At its forty-third session, having recalled Article 17 of the Charter and rule 160 of its rules of procedure, the Assembly resolved that the scale of assessments for the contributions of Member States to the regular budget of the United Nations for 1989 and 1990, and also 1991 unless a new scale was approved earlier by the General Assembly on the recommendation of the Committee on Contributions in response to resolution 43/223 B (in which the Assembly made a number of requests to the Committee regarding the methodology for calculating assessments), should be as follows: (followed the list of Member States and the percentage of the total assessment each would have to pay).²⁷ Three years later, the Assembly adopted the scale for the years 1992, 1993, and 1994, and was more restrictive on the possibility for a new scale before the three years elapsed. The Committee would have to recommend a new scale on the basis of substantial changes in relative capacity to pay, taking into account, as appropriate, representations made by Member States and/or its ongoing work on methodology as requested in resolution 46/221 B.²⁸ For the periods 1989-1991 and 1992-1994, no general revision occurred.

26. In 1994, the General Assembly did not leave the possibility of a revision of the scale it adopted. It resolved that the scale of assessments for the contributions of Member States to the regular budget of the United Nations for the years 1995, 1996 and 1997 should be as follows ... What followed was the list of Member States with scales of assessment for each of the three years.²⁹ For a great majority of the Member States (128 out of a total membership of 185) the scales of assessment were the same for the three years. Apart from the United States of America, assessed at the upper limit of 25 per cent, and the 96 countries assessed at the lower limit of 0.01 per cent, the other countries benefiting from such stability in their rates of assessment for 1995, 1996 and 1997 were developing countries. Among the 57 countries that did not have a stable rate were the 24 new States Members of the

²⁴ The least developed countries was a category of countries established by the General Assembly (Second Committee) upon recommendations of the Committee for Development Planning, a committee of experts appointed on their personal capacity. Countries “graduated” in and out of this list. Their number was, during the period, around 45, mostly on the African continent.

²⁵ See GA resolution 43/223 B, para. 3.

²⁶ See GA resolution 46/221 B, para. 7.

²⁷ See GA resolution 43/223 A, para. 1.

²⁸ See GA resolution 46/221 A, para. 1.

²⁹ See GA resolution 49/19 B, para. 2.

United Nations. Their rates of assessment declined slightly over the three years. For example, Azerbaijan was assessed at 0.16 per cent for 1995, 0.1175 per cent for 1996, and 0.11 for 1997. For Bosnia and Herzegovina, the rates were 0.02, 0.1125 and 0.01 per cent. The 33 countries whose rates increased over the three years were developed countries. For Japan, the increase was from 13.95 per cent for 1995 to 15.65 per cent for 1997. For the other economically prosperous countries, however, increases in their shares were much lower.³⁰ And, for China, the rate was 0.72 for 1995 and 0.74 for 1997. With this new approach of establishing specific rates of assessment for each year of the three-year period mentioned in rule 160 of the rules of procedure, the Assembly attempted to anticipate the need for a “general revision” of the adopted scale.

****D. Relative merits of the percentage system and the unit system of assessment**

E. Extent to which expenses have been shared by non-member States

27. In 1988, the General Assembly, in accordance with rule 160 of its rules of procedure, called upon States which were not members of the United Nations but which participated in certain of its activities to contribute towards the 1989, 1990 and 1991 expenses of such activities on the basis of the following rates: Democratic People’s Republic of Korea: 0.05 per cent; Holy See: 0.01 per cent; Liechtenstein: 0.01 per cent; Monaco: 0.01 per cent; Nauru: 0.01 per cent; Republic of Korea: 0.22 per cent; San Marino: 0.01 per cent; Switzerland: 1.08 per cent; Tonga: 0.01 per cent; and Tuvalu: 0.01 per cent.³¹ Six years later, only four non-member States were assessed: the Holy See, Nauru and Tonga, at the same minimum rate of 0.01 per cent

³⁰ For example: Germany: 8.94 per cent for 1995 and 9.06 per cent for 1997; France: 6.32 and 6.42 per cent; United Kingdom: 5.27 and 5.32 per cent; Canada: 3.07 and 3.11 per cent; Sweden: 1.22 and 1.23 per cent; Australia: 1.46 and 1.48 per cent. The Russian Federation was assessed at 5.68 per cent for 1995 and 4.27 per cent for 1997, while the Union of Soviet Socialist Republics had been assessed at 9.41 for the years 1992, 1993 and 1994.

³¹ See GA resolution 43/223 A, para. 3 (c).

as before, and Switzerland, at the rate of 1.21 per cent.³²

28. In 1989, the General Assembly endorsed revised assessment procedures for non-member States.³³ These revised procedures were described as follows by the Committee on Contributions: “They provide for assessment of contributions on the basis of a flat annual fee which is calculated for each non-member State on the basis of its past level of participation in United Nations activities. The flat annual fee is then applied to the applicable assessment base which equals the total net assessment for the United Nations regular budget for the year, adjusted for tax refunds.”³⁴

F. Working Capital Fund

29. The Working Capital Fund was maintained at a level of \$100 million for the three bienniums 1990-1991, 1992-1993 and 1994-1995.³⁵ As had been traditionally the case, Member States were required to make advances to this Fund in accordance with the scale adopted by the Assembly for the first year of the biennial programme budget. One of the purposes of the Working Capital Fund is to allow the Secretary-General to draw such sums as may be necessary to finance budgetary appropriations pending the receipt of contributions. This use was as necessary as ever during the period under review. In 1992, for instance, the percentage of the contributions due for the year that were collected was 50.95 per cent at 30 June and 54.82 per cent at 30 September. In 1993, the percentages at the same dates were 51.83 per cent and 52.91 per cent. At 30 September 1992, the total of all outstanding contributions was \$826.3 million. At 30 September 1993, it was more than \$2.2 billion.³⁶

****G. Adjustments of accounts with Member States and non-member States**

³² See GA resolution 49/19 B, para. 3 (b).

³³ See GA resolution 44/197 B.

³⁴ See A/49/11, para. 55.

³⁵ See GA resolutions 44/204, 46/188 and 48/232.

³⁶ See the statistical report of the Administrative Committee on Coordination on the budgetary and financial situation of organizations of the United Nations system (A/49/588, table 5).

H. Membership and methods of work of the Committee on Contributions

30. The membership of the Committee on Contributions remained at 18 experts. Regarding the methods of work of the Committee, the Assembly, at its forty-fourth session, made several related requests. It requested the Committee to examine the question of providing access of Member States to information on how the Committee, being an expert body, arrives at decisions on the scale of assessments, and to submit specific recommendations to the General Assembly at its forty-fifth session on how to establish an effective mechanism of communication between Member States and the Committee, in particular by holding information meetings at its regular session before the preparation of a new scale and during consideration of ad hoc adjustments, to enable interested Member States to convey their views and request the Committee to take those views into account in the preparation of the new scale.³⁷

31. Following up on these requests at its forty-fifth session, the General Assembly requested the Committee to hold in 1991, on an experimental basis, one or two information meetings, in a manner to be decided by the Committee, prior to executing the ad hoc adjustments of the machine scale, so as to give Member States the opportunity to provide the Committee with additional information as deemed necessary for the purpose of making the ad hoc adjustments.³⁸ At its forty-sixth session, the Assembly made the more general request that the Committee hold information meetings at its regular sessions during which new scales of assessment are prepared. It also requested the Committee to include in its reports full and detailed information on the considerations underlying its decisions and recommendations, and requested the Secretariat to provide relevant information and documentation at the disposal of the Committee on Contributions upon request by Member States.³⁹

32. In its report to the Assembly at its forty-ninth session, the Committee on Contributions described the information meeting it had held on 30 June 1994. A

number of countries — enumerated in the report — had provided the Committee with additional information and clarification on the data used for calculating their rates of assessment. Other countries had provided written answers to questions raised by members of the Committee. The Chairman of the Committee had informed those present at the meeting that the Committee would take into consideration the information received when preparing the new scale of assessments.⁴⁰

I. Apportionment of the expenses of United Nations peacekeeping and related operations

33. The resolutions on the financing of peacekeeping operations adopted by the General Assembly during the period under review had all the same traditional structure and components. First, after having noted the pertinent reports and resolutions, notably the enabling resolutions of the Security Council, the Assembly stated that the costs of the operation are expenses of the Organization to be borne by Member States in accordance with Article 17 (2) of the Charter. Second, the Assembly recalled its previous decision regarding the fact that, in order to meet the expenditures caused by the operation, a different procedure is required from the one applied to meet expenditures of the regular budget of the United Nations. Third, the Assembly indicated three elements of this “different procedure”: 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; and, the States permanent members of the Security Council have special responsibilities. Fourth, after having raised some issues regarding delayed and non-payment of contributions, reimbursement of troop contributors, or timing and quality of documents submitted by the Secretariat, the Assembly decided on an appropriation to the special account for the operation. Fifth, it decided on the apportionment of the amount appropriated. Sixth, it authorized the Secretary-General to enter into certain commitments and requested him for further estimates and reports. Seventh, it invited voluntary contributions to the operation, in cash or in

³⁷ See GA resolution 44/197 C, para. 1.

³⁸ See GA resolution 45/256 C.

³⁹ See GA resolutions 46/221 B, para. 8, and 46/221 C, paras. 1 and 2.

⁴⁰ See A/49/11, para. 33.

the form of services and supplies acceptable to the Secretary-General.

34. Invariably, during this period as before, the paragraph on the fifth stage, the apportionment, started with the following words: “Decides also, as an ad hoc arrangement, to apportion the additional amount of ... for the period ... among Member States in accordance with the composition of groups set out in resolutions ...” There were four groups, which had been established in the aftermath of the special session of the General Assembly held in 1963 to set the principles governing the financing of peacekeeping operations involving heavy expenditures.⁴¹ These groups were (a) the States permanent members of the Security Council; (b) the economically developed Member States which are not permanent members of the Security Council; (c) the economically less developed Member States; and (d) 25 specifically identified countries among the economically less developed Member States.⁴²

35. For the period under review, the last resolution of the General Assembly giving the composition of these four groups was resolution [43/232](#), on the financing of the United Nations Transition Assistance Group. In group A were the five permanent members of the Security Council. The Member States of group B were listed in a separate paragraph and numbered 22. Group C comprised all the Member States that were not listed in groups A, B and D, numbering 85. The Member States of group D were listed and totalled 47, including all the least developed countries.⁴³

36. Then, in subsequent years, the Assembly took decisions on changes in the composition of these groups, including for the placement of new Members of the United Nations. In 1989, the Assembly welcomed and accepted the proposal made by the Government of Spain to reclassify Spain from group C to group B. It considered and accepted the request of Poland for reclassification from group B to group C. It also agreed to move the Central African Republic,

Equatorial Guinea, the Gambia, Mauritania, Myanmar, Sierra Leone and Togo from group C to group D.⁴⁴ At its forty-fifth session, the Assembly placed two new Members of the United Nations, Liechtenstein and Namibia, in groups B and D, respectively.⁴⁵ At its forty-sixth session, the Assembly placed in group C seven new Members of the United Nations: the Democratic People’s Republic of Korea, the Republic of Korea, Estonia, the Federated States of Micronesia, Latvia, Lithuania and the Marshall Islands.⁴⁶ At its forty-seventh session, the Assembly took decisions on 13 new Member States: San Marino joined group B and Armenia, Bosnia and Herzegovina, Croatia, Georgia, Kazakhstan, Kyrgyzstan, the Republic of Moldova, Slovenia, Tajikistan, Turkmenistan and Uzbekistan joined group C. The Assembly also took note of the fact that Czechoslovakia, a member of group B, would cease to exist as from 31 December 1992.⁴⁷

37. In each of its resolutions on the financing of a particular peacekeeping operation, the General Assembly, having appropriated a certain amount of dollars to the special account of this operation, apportioned this amount among Member States in accordance with the latest composition of the four groups. For the apportionment among States within each group, the current scale of assessments for the regular budget continued to be applied, as had been the case since the beginning of peacekeeping operations.

38. The Peacekeeping Reserve Fund was created in December 1992 as a cash flow mechanism to ensure the rapid response of the Organization to the needs of peacekeeping operations.⁴⁸ The Secretary-General was authorized to advance from the Fund sums as necessary to finance unforeseen and extraordinary expenses relating to peacekeeping operations, and budgetary appropriations, including start-up costs, approved by the General Assembly for new, expanded or renewed peacekeeping operations pending the receipt of assessed contributions.⁴⁹ The level of the Fund was put at \$150 million. Member States’ shares of the Fund were to remain fixed and were calculated on the basis

⁴¹ See GA resolution 1874 (S-IV).

⁴² See GA resolution 3101 (XXVIII), the first resolution identifying four groups of Member States for the purpose of the scale of assessments for the apportionment of the expenses of peacekeeping operations.

⁴³ In resolution [43/232](#), the Assembly appropriated \$416 million for UNTAG and the share for each group of Member States was, in rounded terms, the following: group A: 58%; group B: 39%; group C: 2.5%; group D: 0.5%.

⁴⁴ See GA resolution [44/192](#) B.

⁴⁵ See GA resolution [45/269](#), paras. 8 and 9.

⁴⁶ See GA resolution [46/198](#) A, paras. 6-12.

⁴⁷ See GA resolution [47/218](#), sect. I, paras. 1 and 2.

⁴⁸ GA resolution [47/217](#), para. (a).

⁴⁹ *Ibid.*, para. (b) (i) and (ii)

of the ad hoc apportionment as set in General Assembly resolution [45/247](#).⁵⁰

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⁵⁰ Ibid., paras. (d) and (e). Resolution [45/247](#) was repeating the composition of the four groups of Member States set out in resolution [43/232](#) as modified by resolution [44/192](#) B.

****K. The question whether certain expenditures authorized by the General Assembly constitute “expenses of the Organization” within the meaning of Article 17 (2)**