GENERAL AGREEMENT ON
TARIFFS AND TRADE

CONTRACTING PARTIES
Fifth Session

SCALE OF CONTRIBUTIONS TO THE BUDGET
OF THE CONTRACTING PARTIES FOR 1951.

Note by the Executive Secretary

1.   The draft Budget of the Contracting Parties for the year 1951
has been circulated as GATT/CP.5/10.   The following tables etc. have been
prepared on the basis of the budget estimates contained in that document.

2.   Following the practice in the preceding years, the external trade
of the years 1938 and 1946 has been used as the basis for the computation
of these scales.   The table in the Annex shows the average external trade
of these two years for all the countries participating in the negotiations
at Torquay, and the percentage of each in the total.   Table I shows the
position of each country in the schedule of categories hitherto used for
the calculation of budget contributions.

3.   Table II(a) contains a scale drawn up by the "Unit" method used
in the preceding years and described in Budget/4/Rev.1.   Table II(b) has
been computed on the basis of the Czechoslovak proposal in Budget/5.

4.   Tables III(a) and III(b) give two alternative scales for advances
to a Working Capital Fund of $150,000, using the same two alternative methods
of computation.   The quotas represent the full assessed contributions of the
contracting parties to the Fund;   the actual advances to be made by them are,
however, expected to be substantially less, as the cash balance at the end of
1950 will be credited to the Working Capital Fund, thus reducing the amount to
be advanced by the contracting parties.

5.   These scales have been prepared on the assumption that all countries
participating in the Torquay Negotiations will be or become contracting parties
during the year 1951.

TABLE 1

SCHEDULE OF CONTRACTING PARTIES DIVIDED INTO CATEGORIES FOR THE PURPOSE OF CALCULATING BUDGET CONTRIBUTIONS, ETC.

Category	Share of total Trade – as per annexed table[a]	Contracting Parties in the Category
A	20% or more	United Kingdom, United States
B	10% or more but less than 20%	Nil
C	7% or more but less than 10%	France
D	5% or more but less than 7%	Canada
E	2% or more but less than 5%	Australia, Belgium, Brazil, German Federal Republic, India, Italy, Netherlands, Sweden, Union of South Africa
F	1% or more but less than 2%	Cuba, Czechoslovakia, Denmark, New Zealand, Norway
G	less than 1%	Austria, Burma, Ceylon, Chile, Dominican Republic, Finland, Greece, Haiti, Indonesia, Korea, Lebanon, Liberia, Luxembourg, Nicaragua, Pakistan, Peru, Philippines, Southern Rhodesia, Syria, Turkey, Uruguay

[a] See Annex at end of document

TABLE 11(a)

SCALE OF CONTRIBUTIONS TO THE BUDGET OF THE CONTRACTING PARTIES FOR 1951

Alternative A: "Unit" Method

Category	No. of Countries	Units per Country[a]	Total Number of Units	Contribution per Country	Total Contributions
A	2	20	40	$57,106.00	$114,212.00
B	Nil	10	Nil	28,553.00	Nil
C	1	7	7	19,987.10	19,987.10
D	1	5	5	14,276.50	14,276.50
E	9	4	36	11,421.20	102,790.80
F	5	2	10	5,710.60	28,553.00
G	21	1	21	2,855.30	59,961.30
Total	39		119		$339,780.70

[a] 1 unit = $2,855.30

TABLE 11(b)

SCALE OF CONTRIBUTIONS TO THE BUDGET OF THE CONTRACTING PARTIES FOR 1951

Alternative B: Czechoslovak Proposal

Category	n	v	$\frac{v}{n}$	C	n C
A	2	20,423	10,211.5	$69,737.10	$139,474.20
B	0	Nil	-	500.00	Nil
C	1	3,757.5	3,757.5	25,841.40	25,841.40
D	1	3,122.5	3,122.5	21,671.50	21,671.50
E	9	12,577.5	1,397.5	9,975.50	89,779.50
F	5	3,137	627.4	4,754.00	23,770.00
G	21	4,239	201.86	1,868.70	39,242.70
Total	39	47,236.5			$339,779.30

Note: The formula and notation are according to the Czechoslovak proposal
contained in document Budget/5. Briefly stated, the countries are
divided into categories in the same way as in the "unit" method.
The amount of contributions of each country as according to its
category is then calculated by the following formula:

$$C = \frac{B - Nm}{V} \times \frac{v}{n} + m$$

where V = total value of foreign trade,
      v = value of trade of a category,
      N = total number of countries,
      n = number of countries in a category,
      B = the total budget, and
      m = basic contribution of each country

A.   V = $47,236.5 million,
        N = 39,
        B = $339,778.00 and
        m = $500.00,

        C = $\frac{339,778 - 39 \times 500}{47,236.5} \times v/n + 500$

          = 6.789307 x v/n + 500

TABLE III(a)

SCALE OF ADVANCES TO THE WORKING CAPITAL FUND
OF THE CONTRACTING PARTIES

Alternative A: "Unit" method of allocation

Category	No. of countries	Unit[a] per country	Total Number of units	Advance per Country	Total Advances
A	2	20	40	$25,211.00	$50,422.00
B	Nil	10	Nil	12,605.50	Nil
C	1	7	7	8,823.85	8,823.85
D	1	5	5	6,302.75	6,302.75
E	9	4	36	5,042.20	45,379.80
F	5	2	10	2,521.10	12,605.50
G	21	1	21	1,260.55	26,471.55
Total	39		119		$150,005.45

a)
   1 unit = $1,260.55

TABLE III(b)

SCALE OF ADVANCES TO THE WORKING CAPITAL FUND
OF THE CONTRACTING PARTIES

Alternative B: Method of allocation based on the Czechoslovak Proposal

Category	n	v	$\frac{v}{n}$	A	nA
A	2	20,423	10,211.5	$30,940.60	$61,881.20
B	0	Nil	-	200.00	Nil
C	1	3,737.5	3,737.5	11,451.35	11,451.35
D	1	3,122.5	3,122.5	9,599.95	9,599.95
E	9	12,577.5	1,397.5	4,407.05	39,663.45
F	5	3,137	627.4	2,088.75	10,443.75
G	21	4,239	201.86	807.70	16,961.70
Total	39	47,236.5			$150,001.40

Note: For method of calculation, etc. see Table 11(b). The formula used here is as follows:

$$A = \frac{F - Nq}{V} \times \frac{v}{n} + q$$

where, V, v, N and n have the same significances and values as in Table 11(b);

A = advance by each country,
q = basic quota for each country = $200.-,
F = the Total Working Capital Fund = $150,000.-

Thus, $A = \dfrac{150,000 - 39 \times 200}{47,236.5} \times \dfrac{v}{n} + 200$

$= 3.01039 \times v/n + 200$

ANNEX

EXTERNAL TRADE OF PRESENT CONTRACTING PARTIES AND TORQUAY ACCEDING GOVERNMENTS

Government	1938 $ million	1946 $ million	Average of 2 years $ million	Percentage of total	Note
Australia	1038	1300	1169	2.5	
Austria	467	223	345	0.7	
Belgium) Luxemburg)	1574	2166	1870	(3.6) (0.4)	(1)
Brazil	592	1656	1124	2.4	
Burma	117	262	189.5	0.4	(2)
Canada	1698	4547	3122.5	6.6	(3)
Ceylon	181	413	297	0.6	
Chile	257	410	33.5	0.7	
Cuba	261	862	561.5	1.2	
Czechoslovakia	646	719	682.5	1.4	
Denmark	689	930	809.5	1.7	
Dominican Rep.	27	96	61.5	0.1	
Finland	364	412	388	0.8	
France	3038	4437	3737.5	7.9	(4)
German Federal Republic	2674	1575	2124.5	4.5	(5)
Greece	221	361	291	0.6	
Haiti	15	39	27	0.1	
India) Pakistan)	1021	2046	1533.5	(2.7) (0.6)	(6)
Indonesia	647	164	405.5	0.9	
Italy	1133	1260	1196.5	2.5	
Korea	85	52	68.5	0.2	(7)
Liberia	4	17	10.5	0.1	(8)
Netherlands	1745	1796	1770.5	3.7	(9)
New Zealand	439	563	501	1.0	
Nicaragua	10	28	19	0.1	
Norway	480	685	582.5	1.2	
Peru	135	269	202	0.4	
Philippines	266	566	416	0.9	
Southern Rhodesia	65	161	113	0.2	
Sweden	986	1539	1262.5	2.7	
Syria) Lebanon)	53	137	95	(0.1) (0.1)	
Turkey	234	336	285	0.6	
U. of S. Africa	636	1379	1007.5	2.1	
United Kingdom	8439	11139	9789	20.7	(10)
United States	5325	15943	10634	22.5	
Uruguay	123	300	211.5	0.5	
	35685	58788	47236.5	100.0	

Source: International Financial Statistics for December 1949
(Vol. II No. 12) published by I.M.F.

(1) Including Belgian Congo. The statistics do not provide separate
figures for Belgium and Luxemburg. The respective percentages
have been computed, provisionally, on the basis of the proportion
used in the computation for the 1949 budget (Budget/4/Rev.1).

(2) No statistics for 1946 being available, the figure for 1947 is
used instead.

(3) **Including Newfoundland.**

(4) **Including French overseas territories.**

(5) Figures cover the Federal Republic only. Official German estimates
for 1936 trade covering Trizonia and the West Sectors of Berlin
(export RM2998m and imports RM2510m IFS, August 1950, p. 166)
represent, by calculation, 61 % of the estimates for 1936 covering
the whole of Germany (exports RM4774m and imports RM4238m. See
League of Nations, Balance of Payments, 1936). In the absence of
available data, an estimate is made on the basis of this proportion
for 1938 trade covering the area referred to above. 61 % of
$4384m = $2674m.

(6) The aggregate percentage is divided between India and Pakistan
on the basis of the external trade proportion in 1948.

(7) 1946 figure covers South Korea only.

(8) Estimated as per E/CONF.2/4/Rev.1.

(9) Including Netherlands Antilles, Surinam.

(10) Including Cyprus, Malaya, Hong Kong, Gold Coast, Kenya and Uganda,
Nigeria, N. Rhodesia, Fiji, Tanganyika, Jamaica.